



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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January 18, 2002

Mr. Tom Newman
Holcim (US), Inc.
4629 North Overland Trail, Building A
P. O. Box 1468
LaPorte, Colorado 80535-1468

Re: Acceptance of Notice of Intention to Commence Small Mining Operations, Holcim (US), Inc., Skull Valley Diatomaceous Earth Project, S/045/060, Tooele County, Utah

Dear Mr. Newman:

On September 25, 2001, this Division received a copy of your Notice of Intention to Commence Small Mining Operations (NOI) together with your permit application fee, and on September 27, 2001, we received a copy of the plan of operations you submitted to the Bureau of Land Management for the diatomaceous earth project in Skull Valley in Tooele County. Initial mining has been in the southwest quarter of Section 7, Township 6 South, Range 7 West, but future operations are planned for several nearby areas. The application is considered complete and no additional information is required by the Division at this time. **You may commence with your mining operations as outlined, provided you have satisfied and received written acceptance from the Bureau of Land Management.**

In accordance with rule R647-3-105 regarding the project location, the areas to be disturbed should be plotted on a map in sufficient detail so that they can be located on the ground. **It is also required that the operator mark the proposed (5 acre or less) disturbed area boundary (including access/haul roads) in the field with metal T-Posts (or with some other marker of equal effectiveness). Markers must be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.**

The area disturbed under the permit issued to Castle Rock Land and Livestock (S/045/048) for which you have assumed responsibility is close to five acres, so if you plan to disturb additional areas, you will need to either have the current disturbed area released or apply for a large mine permit. Please keep us informed about your activities.

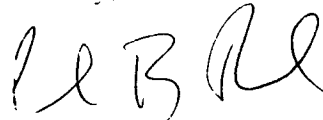
The Utah Mined Land Reclamation Act of 1975 [40-8-7(I)] provides the authority for fee implementation which was approved by the Utah Legislature at its 1998 session. Commencing July 1, 1998, the fees are assessed to new and existing notices of intention, and annually thereafter. Small Mining Notices require a \$100.00 annual fee.

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For your reference, I have enclosed copies of our summarized rules regarding "Operation and Reclamation Practices," and the statutory penalty for failure to reclaim a minesite (SMO-1). Please give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely,

A handwritten signature in black ink, appearing to read "P. B. Baker". The signature is fluid and cursive, with the first and last names being more prominent than the middle initial.

Paul B. Baker
Senior Reclamation Biologist

jb
Enclosure. SMO-1 summary
cc Cheryl Martinez, BLM (U-77778)
s45-60app.doc